



When Gym Memberships Don't Work Out

Release Date: August 29, 2014

Media Contact: Jerad Albracht, 608-224-5007
Jim Dick, Communications Director, 608-224-5020

MADISON – The recent unannounced closure of a Madison fitness center has left its customers empty-handed and scrambling to find another gym to call home. Members had paid as much as \$2,000 for a “lifetime membership,” only to be locked out with no direction or contact from the company. The Wisconsin Department of Agriculture, Trade and Consumer Protection (DATCP) asks consumers to research a gym before signing a contract and to file a complaint with the agency if a center closes with no notice or proposed remedy for members.

Common complaints about fitness centers include broken cancellation policies, misrepresentations about facilities and services, or lost membership fees when centers go out of business. Wisconsin law protects consumers who join fitness centers:

- “Lifetime” contracts are prohibited by state law. File a complaint with DATCP if you are offered a similar membership option.
- Club memberships cannot be longer than two years’ duration and must have an expiration date.
- If a facility or service becomes unavailable during the contract, the consumer is entitled to choose an adjusted refund or a transfer of the unused portion of the membership to another affiliated center.
- Fitness center contracts must contain a three-day cancellation right for new members.
- Membership contracts must disclose the full membership price and the cost of individual payments.
- All contracts must specify every major facility and service available in the membership and include any conditions or restrictions on their use. This includes a list of the locations members may use.
- When a center has not been built, contracts must guarantee that the facility, service or location will be available for use within six months.
- Any gym that collects more than \$100 in advance of providing services is required to have security on file with DATCP. Before signing a membership contract for a fitness center, check with DATCP to inquire about consumer complaints against the business and to verify that the company has filed a \$25,000 proof of financial responsibility with the agency.

Consumers who are members of a fitness center that closes without notice should file a complaint with DATCP. The agency can look into the situation to determine if state laws were violated and if the consumer is due a refund or other adjustment from the business.

For additional information or to file a complaint, visit the Consumer Protection Bureau at <http://datcp.wisconsin.gov>, send an e-mail to datcp hotline@wisconsin.gov or call the Consumer Information Hotline toll-free at 1-800-422-7128.

Connect with us on Facebook at www.facebook.com/wiconsumer.

###